GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department – Proposal ofM/s. JSW AP Steel Limited for establishment of Integrated Steel Plant facility – M/s JSW Rayalaseema Steel Plant Limited - at Sunnapuralla Palle, Jammalamadugu, YSR Kadapa District, under Phase-1 of the project of 1 MTPA capacity, with an investment of INR 4,500 Crore and employment generation potential for 1,000 persons - Extending certain special package of incentives to both phases of their project - Orders - Issued.

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INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O.MS.No.131 Dated:27.07.2025

Read the following:

1. G.O.Ms.No. 87, Ind. & Comm. (P&I) Department dt:21.12.2022.
2. Proposal of M/s. JSW AP Steel Limited.
3. Minutes of the 11th State Investment Promotion Committee meeting held on 12.07.2025.
4. Minutes of the 8th State Investment Promotion Board meeting held on 17.07.2025.

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ORDER:

In the reference 1st read above, orders have been issued extending certain special package of incentives to special package of incentives to M/s. JSW Steel Limited for their proposed Integrated Steel Plant of 2 MTPA capacity in 2 phases at Sunnapuralla Palle, Jammalamadugu, YSR District.

2. Subsequently, vide reference 2nd read above, M/s. JSW AP Steel Limited have proposed Integrated Steel Plant facility, at Sunnapuralla Palle, Jammalamadugu, YSR Kadapa District, with an investment of INR 4,500 Crore and employment generation potential for 1,000 persons.

Item	Phase-I	Phase-II	Total
Capacity	1 MTPA	1 MTPA	2 MTPA
Investment (INR Cr)	4,500	11,850	16,350
Employment	1,000	1,500	2,500

3. The project implementation milestones given by the firm for their project is as follows.

Activity	Phase-I	Phase-II
Statutory approvals	Sep 2025- Jun 2028	Sep 2030-Jun 2033
Construction	Jan 2026- Aug 2028	Jan 2031 – Aug 2033
Machinery erection	Apr 2026- Nov 2028	Apr 2031 – Nov 2033
Commissioning	Dec 2028– Mar2029	Dec 2033 – Mar 2034
Commencement of Commercial Production	Apr-2029	Apr-2034

(P.T.O.)

4. Accordingly,M/s. JSW AP Steel Limited have requested for certain special package of incentives for their Integrated Steel Plant facility, at Sunnapuralla Palle, Jammalamadugu, YSR Kadapa District.

5. Accordingly, the proposal from Director of Industries, A.P. was placed before the State Investment Promotion Board (SIPB) meeting held on 17.07.2025 with recommendations of State Investment Promotion Committee (SIPC) in its meeting held on 12.07.2025. The SIPB after detailed discussion, has recommended the proposal of M/s. JSW AP Steel Limited for establishment of Integrated Steel Plant facility, at Sunnapuralla Palle, Jammalamadugu, YSR Kadapa District, with an investment of INR 4,500 Crore and employment generation potential for 1,000 persons.

6. Government, after careful consideration of the decision of the State Investment Promotion Board, hereby extend certain special package of incentives toM/s. JSW AP Steel Limited for establishment of Integrated Steel Plant facility, at Sunnapuralla Palle, Jammalamadugu, YSR Kadapa District, to be named as **JSW - Rayalaseema Steel Plant**.

A) External infrastructure:

i. Facilitation for the power infrastructure: Double circuit transmission line of 400KV from Jammalamadugu substation up along with distribution substation for a power requirement of 268 MW.

ii. Facilitation for the water supply: Pipeline (including acquisition of the right of way for such pipeline) along with the necessary pumping infrastructure from Gandikota reservoir for an assured water supply of 2 TMC per annum; Water allocation of 2 TMC approved vide G.O. MS No.13; 15 km pipeline from Mylavaram dam (171 MLD capacity).

iii. Facilitation for the Road infrastructure till the site: 12 Kms 4-lane access road to NH 67 with RoW;

iv. Facilitation for railway siding: 12 km extension line to the plant from Muddanaru railway station (*between Proddatur – Yerraguntla station)*, by pursuing with Indian Railways/ GoI, under PM GATI SHAKTI initiative and duly coordinating with the Network Planning Group, under DPIIT, GoI

v. Transfer of all existing infrastructure built by M/s YSR Steel Corporation Limited and all statutory approvals obtained by M/s YSR Steel Corporation Limited, to M/s JSW Rayalaseema Steel Ltd, on cost basis.

vi. The access to the sea-port will be examined by the AP Maritime Board, as and when the firm submits the Raw materials plan.

B. Land Allotment

i. Allotment of 1,100 acres at Sunnapuraalla Palle, Jammalamadugu, YSR Kadapa District to M/s JSW Rayalaseema Steel Limited on an Outright Sale basis (under two stages of Sale Agreement cum Sale deed as per existing APIIC regulations) **at a rate of INR 5 lakh per acre.**

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ii. Allotment of 200 acre at Sunnapuraalla Palle, Jammalamadugu, YSR Kadapa District to M/s JSW Rayalaseema Steel Limited, on Outright Sale basis (under two stages of Sale Agreement cum Sale deed as per existing APIIC regulations), **on cost basis**, for establishment of Township.

C. Tailor-made incentives, up to 50% of Fixed Capital Investment, duly allowing exemption of the proposed project from the 'List of Ineligible Industries' under 'AP Industrial Development Policy (4.0) 2024-29', contingent upon investment of INR 3,730 Cr of Fixed Capital Investment by December 2028, with similar incentives to be applicable for further phases of investment:

i. 20% Capital incentive up to INR 607.2 Cr to be disbursed over a period of 10 years
ii. Electricity duty subsidy up to INR 1,092 Cr within 10 years from DCP
iii. Decarbonization subsidy up to INR 149.2 Cr on investment of INR 3,730 Crore
iv. Stamp duty reimbursement of INR 4.875 Crore

D. The same incentives of 50% of Fixed Capital Investment, for the second phase of investment by the JSW Rayalaseema Steel Limited for the establishment of additional 1 MMTPA Steel Plant, **provided the same is commissioned as per the committed timelines**.

7. The Special Chief Secretary/Principal Secretary/Secretary of the concerned departments such as Power, Water Resources Department, Industry and Commerce (CIP), Skill Development Department, Revenue (Land, Registration and Stamps), Finance Department and other departments concerned are requested to take further necessary action accordingly, duly instructing their HODs and PSUs under them for expeditious grounding and implementation of the project.

8. The Vice Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation Limited, Mangalagiri and the Director of Industries, Andhra Pradesh shall take further necessary action accordingly in coordination with the line Departments.

9. As envisaged under the Andhra Pradesh Industrial Development Policy (4.0) 2024-29, the Director of Industries shall assign the handholding for facilitations of all the inputs as required for expeditious grounding and implementation of this project to a senior level officer and should try to ensure that the project is implemented as per the expected timelines, duly facilitating the required approvals and clearances under the Single Desk Portal 2.0 and duly implementing the project as per the intended spirit of the Speed of Doing Business.

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10. The Director of Industries, A.P., Mangalagiri should ensure that the PMU with the Department monitors the progress of the project, duly bringing the issues that are to be resolved, to the respective line departments, from time to time and resolve the issues and intimate the status of the progress of the project to the Government from time to time and bring the issues for resolution at the government end, if any, for smooth execution of the project.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N.YUVARAJ
SECRETARY TO GOVERNMENT

To
The Vice Chairman & Managing Director, APIIC Ltd., Mangalagiri.
The Director of Industries, A.P., Mangalagiri.
The M/s. JSW AP Steel Limited.
The Special CS/Principal Secretary/Secretary of the concerned department viz,
The Revenue (Land, Registration and Stamps) Department,
The Finance Department,
The PR&RD Department,
The MA&UD Department,
The EFS&T Department,
The Energy Department,
The Water Resource Department,
The Transport, Roads and Buildings Department,
The Skill Development Department,
The Infrastructure and Investment Department,
The Collector & District Magistrate, Kadapa District.

Copy to:
The Finance (FMU-I&I, Energy and I&C) Department.
The Revenue (CT) Department.
The Law (H) Department
The Accountant General, Andhra Pradesh.
The Chief Commissioner of Taxes.
The P.S. to Secretary to Chief Minister.
The P.S. to Hon'ble Minister (Ind. &Comm. Food Processing).
The P.S. to Chief Secretary to Government of Andhra Pradesh.
The P.S. to Secretary to Government & CIP, Industries& Commerce Dept.,
The G.A. (Cabinet.I) Department.
SC/SF. (Comp.No.1928770)

//FORWARDED::BY ORDER//

V. Kamy
SECTION OFFICER